

Meeting of 1999-7-15 Special Meeting

MINUTES
SPECIAL CALLED MEETING
LAWTON CITY COUNCIL
JULY 15, 1999 - 5:00 P.M.
WAYNE GILLEY CITY HALL COUNCIL CHAMBER

Mayor Cecil E. Powell, Also Present:
Presiding Bill Baker, City Manager
 John Vincent, City Attorney
 Brenda Smith, City Clerk

The meeting was called to order at 5:00 p.m. by Mayor Powell. Notice of meeting and agenda were posted on the City Hall notice board as required by State Law.

ROLL CALL

PRESENT: Richard Williams, Ward Two
 Glenn Devine, Ward Three
 John Purcell, Ward Four
 Robert Shanklin, Ward Five
Charles Beller, Ward Six
 *Stanley Haywood, Ward Seven
 Randy Warren, Ward Eight

ABSENT: G. Wayne Smith, Ward One

*Haywood entered the meeting at approximately 5:05 p.m.

BUSINESS ITEM:

1. Receive a briefing from CH2M Hill, Consulting Engineer for the Water Treatment Plant Project, and discuss possible projects for a Capital Improvements Program (CIP). Exhibits: None.

Baker said last September Council held a series of meetings to discuss the capital improvements program, and at that time there was a sense of urgency due to the sewer rehab program. He said they tried to rush Council to formulate a program to take to the voters last November; but it became apparent that it could not be done and it is too important of a task to get done that quickly. Baker said Council made a wise decision to separate the sewer rehab program from the rest of the CIP, and as a result, a small utility increase of \$2.35 was approved and implemented January 1, 1999. The CIP question was deferred for future consideration. He said the time is now for Council to consider and put together a new CIP to replace the 1995 Program, which ends December 31, 1999.

Baker said the challenge is to identify the most pressing capital improvement needs of the community, prioritize those needs, identify funding and get the support and approval of the citizens. He said that he and staff had an obligation to identify the needs and funding options for Council consideration, and that this process would begin tonight. Baker said the information provided is simply staff's recommendation and should serve merely as a starting point for this process. He said whatever program is put together will be Council's program and not his or staff's program, but Council's program.

Baker suggested the following format for this meeting: a briefing by CH2M Hill on the water needs; the Finance Director discussing funding alternatives; the Assistant City Manager briefing the proposed program; the City Attorney providing information on statutory deadlines, summary remarks by Baker, followed by Council discussion.

Jerry Ihler, Public Works/Engineering Director, said in March 1999 the City entered into a contract with CH2M Hill for the purpose of analyzing the water system, to include the distribution system, with regard to providing a model, as well as the main question of what can be done at Medicine Park to maximize the efficiency of the existing plant and examine its condition. The direction given to the consultant with regard to desired size and capacity was 45 mgd. The consultant was asked to look at several alternatives which would provide the citizens of Lawton the most cost effective measures to provide 45 million gallons of treated water. He said the City is due to have the report by the end of the month, so it is a little bit ahead of schedule with regard to numbers, but there is no reason for a significant change in the numbers and it should not be enough to make any kind of a change in the

recommendation. He introduced Murray Fleming from CH2M Hill who is the project manager for this project.

Fleming gave a slide presentation, and copies of the slides are available in the City Clerk's Office. Fleming's briefing is summarized as follows: The three water sources are Waurika, Lawtonka and Ellsworth; the City has not used any of its water rights at Waurika and there is not a need to do so even in supplying 45 mgd capacity as it can be provided by Ellsworth and Lawtonka.

The Medicine Park plant is referred to in terms of the north plant and the south plant and they are at the same location and are contiguous with common walls but the south plant was built in 1932 with a 10 mgd capacity and the north plant was built in 1967 with a 25 mgd capacity. These are maximum day capacities and not average and it can go to 50 if 35 is supposed to be the capacity of the plant. In 1998, the plant produced 36.7 mgd on the peak day, so there is not a magic number that the plant cannot produce over, and it can do so for one day or a few hours but it was a signal that the maximum day capacity was being approached and there was a need to look for what to do next which leads to changing from 35 mgd to 45 mgd capacity. First they focused on Medicine Park to be sure all the facilities were being used before looking at another plant.

In addition to capacity, the City will fall short of meeting EPA treatment standards that are expected to be put into effect in two years; most relate to trihalomethanes (THM) and turbidity. They looked at raw water sources, conveyance of raw water, water treatment and getting it to the customers, distributing it and storing it. Each facility, whether it is the lake, the conveyance line, the plant, pipeline and pump stations or storage tanks, they are all sized differently, and they are not all sized for 35 mgd or 45 mgd; they are sized to do the job they need to do. The raw water source is sized just on average and you do not want to run out during a year's period during a drought. The conveyance must be able to get the water to the plant on a maximum day; then you must convey the water to customers, but in town there will be even higher demands than the maximum day, there will be a peak hour during that day, such as 7 or 8 p.m. when everyone is watering, if the peak during the August day when it was 36.8 mgd for the day, it was probably 40 during the maximum hour when everyone was watering and using water, and it is meant for the storage and tanks to supply that water.

The purpose of the study was to identify the improvements that are needed to meet both the quantity and the quality goals; increase the capacity to 45 maximum day and it equates to 23 on an average day. This means that you add up all of the water treated in a year, divide it by 365, in the year that it equals 23, by past history, you will have a maximum day during that year of 45, or there is a relationship between average day and maximum day according to historical records which show it is 1.9 times. If you multiply 23 times 1.9, that gives the maximum day and that is how they back into those numbers. The 2020 Land Use Plan and Fresh Water Plan both have those numbers corresponding to about 2015; if you grow faster, it will last a shorter time and if you grow slower, it will be longer. Certain industrial demand has a tremendous impact and if an industry comes in that requires a lot of water, that number might become 2010. 3-1/2 to 4 mgd of the increase is planned for industrial growth, and it could be more or less depending on the industry that locates here.

Beller asked if there was a rule of thumb as to what usage should be for industrial purposes versus the daily maximum; is there a time when you should look at commercial and industrial use and see if it is going too fast. Fleming said some have huge ratios because of the kinds of industry they have; some industries require large amounts of water and some require very little, and there is no general rule of thumb.

Shanklin asked if the 1997 figures were compared to the 1998 figures and if a large portion could be attributed to the number of water breaks that took place. Ronnie Graves, Assistant Director of Water/Wastewater, said some of the difference in numbers could be attributed to breaks. Shanklin asked if a large gain in utilities was shown and Graves said that would be known at the end of this year and they usually can account for 80-85% of the water; 1998 showed accountability for 79%, which is a little less and it may not all be due to breaks. Graves said the City itself uses a lot of water for irrigation and general purposes. Graves said in June 1999, the average day usage was 6 mgd less than in June 1998. Shanklin said we cannot say we increased 16 mgd in two years. Graves said water sales outside the City limits had increased and that last year was very dry and hot, causing water usage to be very high. Williams asked if there were very many instances where water was being used but not metered. Ihler said he thought it would be a small percentage of the total; all of the City facilities are not metered.

Fleming continued his presentation: In addition to the flow or quantity, they must deal with the health and regulatory issues and quality of the water. Health issues have come up in different communities over the last few years, so EPA has promulgated some new regulations and stepped up the disinfection requirements, or the killing of any bacteria in the raw water so it is safe to drink. If you use chlorine for the disinfection process, it tends to form the THM compounds and studies have shown that we do not want very many of those, so on one hand EPA is saying to be really aggressive in making the water safe by using chlorine or some other oxidant, and chlorine has been the standard in the trade for many years, and at the same time, they are saying to minimize the other, so these two are in conflict and it has caused a lot of development in the industry as to how to deal with it. In addition, there is turbidity and the clearer the water is the better the chance that you have filtered out impurities from a physical standpoint. Water can be safe but have a taste and odor problem which is not liked by the community, so that is a focus point.

Fleming said also, they are talking about getting rid of the backwash cycle. When you filter water, every day or two you have to backwash the filters by pushing clean water back up through them to wash out all the dirt and material you have accumulated. In the past, the water has been recirculated back to the head of the plant and re-treated again. EPA does not like that and wants that recycle stream to go away. These are the primary water quality issues focused on at Medicine Park.

A team of six staff members from CH2M Hill, as well as City staff members, had a workshop session for several days at the treatment plant. They looked at alternatives that incorporated the water sources, treatment and distribution, and looked at the aging condition of the plant and assessed its condition; opportunities for rehabilitation and expansion were reviewed to see if they could get the plant to perform more by spending a few dollars rather than building a new plant. The major findings were that due to the age, condition and original design, they recommended that the south head works and the filters be abandoned; these were built in 1932 and you can rebuild them but the concrete box is only so big and it is not deep enough to get the filtration depth needed for filter media to get the turbidity down and meet the standards. There are cracks in the walls and four filters are out of service because if they are in service, water leaks through the walls to the outside, so he did not recommend spending money to rehabilitate the filters in the south portion and that it be abandoned. Electrical and instrumentation has been there since 1932, or 1967 when it was rehabilitated, and some needs to be replaced. As the plant has grown, components have been added and it is difficult for the operators to deal with the chemical storage and hazardous waste containment and chemical storage are required, so the recommendation is to centralize the chemicals and provide a maintenance facility. Those three things are the biggest cost items whether you get any more capacity or not.

All of the alternatives included looking at the clarification, filtration and disinfection. To get to the 45, there would be 35 mgd at Medicine Park plus 10 mgd at a new plant; or, they would do all 45 mgd at Medicine Park. The 45 mgd is the capacity of the treated water line from the plant to town, so to go more than 45 mgd at Medicine Park would require a new transmission line all the way from the plant to town, which would be a very costly item. The two overriding alternatives that will be referred to are 35 mgd and 10 mgd or 45 mgd; under each one, they looked at different process ways to achieve it. The clarification deals with the turbidity, or how clear is the water, and they looked at three different oxidants; chlorine dioxide, ozone and chlorine. Use of chlorine creates problems with THM's and chlorine dioxide and ozone have just come into being in the last five years for that very reason. In all three cases they would use GAC filters, granular activated carbon, which removes taste and odor. They developed alternatives and the associated cost to be able to make a recommendation. At Medicine Park they looked at a high rate clarification and membrane, so this is technical information but it shows how they outlined the alternatives.

Benefits of having a second plant may not be cost related; it would be a backup and redundant source of water. Should there be damage to the water plant due to a storm, or damage to the transmission lines coming to town, you could be out of water until that was repaired, so there is a real benefit to a city this size, and cities this size start to have more than one plant normally. The water can gravity flow from Ellsworth to the new plant site, whereas, now, to use Ellsworth water, it must be pumped to Lawtonka for treatment, so it would be an advantage to have a gravity flow for the raw water to a new plant. Also, it would be beautiful from a construction sequencing standpoint because the new plant could be built and when it was on line, it could be used and the Medicine Park plant could be rehabilitated much easier without as much risk. If you build only at Medicine Park, you must be very careful not to disrupt the plant because it is the only source.

Associated costs of a new plant would include additional staff, and it is not as efficient to run two plants as it is to run one. It is not just the plant costs and there would be a cost of at least \$7 million on one of the two needed pipelines just to connect the plant into the distribution system, and it is close to five miles of 48" line into town for the connection, whereas that capacity already exists at Medicine Park so that gives that alternative a real advantage. If there was a southeast plant, the water would not be available to Fort Sill because it is uphill so there would have to be an emergency pump station to pump from one zone upward, rather than the gravity flow.

A slide was shown outlining operational impact and capital impact. If the south clarifiers are removed at Medicine Park, the water will have to be pumped up five feet to get to the north clarifiers. There is an operational advantage of having one plant at Medicine Park, with the draw back being the requirement to pump from Ellsworth to Lawtonka. Pump Station #4, between the plant and town, currently pumps water 24 hours a day and it assists the east high zone.

Shanklin asked if the City has to pump only for the east high zone. Ihler said that is what fills the east tower but the water that gets to that pump station comes from the north high zone, which is pumped from the plant. North, east, industrial and west zones are all pumped.

Fleming said the next slide presented the results of all of the factors and the cost estimates. Information was shown by capital costs, present worth and O & M; those were added for a total project cost. The two alternatives are to bring Medicine Park to 35, plus a southeast plant; or build it all at Medicine Park at 45 mgd, and the three technical ways to do that using chlorine dioxide, ozone membranes, and two ways to get to 45, so there are five

different alternatives contained within two overall alternatives.

The cost to rehabilitate Medicine Park for 35 mgd, and then to build a second plant, would be \$44, \$52 and \$56 million capital costs, which includes inflation, construction to the year 2002 and a contingency for engineering, legal, admin, and those costs. If this were only for 35 mgd at Medicine Park, there would be no cost for the second plant. On a capital cost basis, it is easy to see that you get 45 mgd at Medicine Park by spending \$35.5 million capital, so that is the conclusion as far as capital cost, and some alternatives have more or less operational costs associated with them, so you do not make the decision based solely on capital costs, so we look at operation and maintenance. The numbers are 20 years, discounted at 6%, so you discount the annual O & M cost at 20 years at 6%, and it shows that chlorine dioxide costs a lot of money, \$14 million; ozone is an electrical power cost; you would add the capital plus the present worth so this is what we normally make alternatives decisions on. It is obvious that the best way to go is to have 45 mgd at Medicine Park.

Baker asked if O & M was total for those options or if it was additional. Baker asked if the \$8.6 million was in addition to what we currently budget for O & M and Fleming said yes, it is additional cost.

Purcell asked if the \$26.2 million on the new plant included the \$7 million for the transmission lines and Fleming said yes. Purcell said if we need another 10 mgd in the year 2015 and have to build a new plant and transmission lines at that time; is there an estimate of the cost for that time period including inflation. Fleming said he had not calculated those costs. Purcell said if you built the \$26.2 million plant today, you would have the 10 mgd capacity available, and if you needed to add another 10 mgd capacity, it would likely be at the southeast plant. Purcell asked if those items should be considered for future generations, realizing that it is much cheaper to do today; there is a \$16 million differential today, but it might be \$20 million for the next generation and that may need to be considered for future planning to allow for a decision. Fleming said once you exceed the 45 mgd at Medicine Park, the next expansion would be very expensive because the transmission line will not be adequate and it would be a matter of economics at that time to determine what should be done.

Shanklin said on many days, the 10 mgd capacity can almost carry the City. Graves said 12 mgd is about the lowest usage experienced. Shanklin said we have run the City on the south plant alone within the last two or three years for a couple of months at a time, and you can say 100,000 people but we are at the same population we were in 1990, give or take 3,000, and Fort Sill did not add anything because they were receiving water anyway. Shanklin said the water taps do not show a gain, although there has been a gain in the county. Shanklin said he could not support the more expensive proposal if there is a \$15 million difference.

Shanklin asked the time frame for the water project. Fleming said six to nine months for design and probably two years for construction at Medicine Park due to the phasing; January 2002 would be the mid-point for construction.

Baker asked Fleming if he could restate his recommendation based on the things that had been studied. Fleming recommended modification to the Medicine Park plant to produce 45 mgd using the ozone technology, which is the lowest cost estimate in both capital and operations.

Mayor Powell asked how it would be constructed. Fleming said they would keep the south plant running until the work was finished in case there was a problem, and do the clarifiers in the north part a section at a time. Shanklin asked if it would be five gallons per minute on clarification. Fleming said it is five gallons per minute per square foot.

Mayor Powell asked about the cost of pumping from Waurika to Ellsworth and Fleming said they had not figured those costs since they did not select that alternative, and that unless there was an emergency, there would not be a need for that water. Fleming said they would finish the report in the next two or three weeks and would welcome any input that would be provided.

This concluded Fleming's presentation.

Steve Livingston, Finance Director, said the handout provided information on the funding alternatives. He said the three funding alternatives available to cities were sales tax, ad valorem tax and utility revenue, and information on each of these categories was provided as to how much each would generate for the capital improvement programs.

Livingston said the 1-1/4% sales tax will terminate December 31, 1999, and sales tax has been the major source of income for capital improvement programs since the early 1970's. He said 1-1/4% sales tax is estimated to generate \$9 million, and if a five-year program is sought, it would produce \$45,450,000 not including any inflation or growth. Total sales taxes for the ten largest cities in Oklahoma was included and most cities have 3% or above, except Edmond at 2.875%, and Oklahoma City is 3.87%, so Lawton is competitive in that sales tax rate. Some cities have a county sales tax, and Lawton now has a county sales tax of 1/4%.

Livingston said comparison information was also included on the ad valorem tax and that Lawton has not received ad valorem tax since the early 1960's when Lake Ellsworth and other improvements were done, other than placing

judgments on the tax rolls for payment through ad valorem taxes as allowed by statute, and Lawton is at 3.13 mil levy. One mil will generate \$254,000, and that is an important number in trying to determine how much the mil levies would go up if some of the CIP were placed on the ad valorem rolls. Livingston said a 20 year bond issue was shown for a general obligation bond for a program for a \$1, 10, 20, 30 or 40 million bond issue showing the highest and lowest mil levies. As an example, using a \$100,000 fair market value house for the first year, on a \$1 million bond issue, it would be \$4.50 per year for the first year and \$2.14 per year for the last year. Livingston said a \$1 million bond issue for 20 years would cause 4/10ths of a mil and the last year would be 19/100ths. If it was a \$40 million 20 year bond issue, the first year would be 16 mils, or \$180.00 for the first year for a \$100,000 fair market value home, and the last year would be 7.61 mils or \$85.61.

Livingston said the alternatives and comparisons were provided to allow everyone to think about the best way to make a good decision. He said the last revenue source shown is utility revenue, and \$1 on a basic utility bill per customer will generate \$400,000, and a comparison of the ten largest cities in Oklahoma was provided regarding utility rate structures. Lawton is about seventh out of the ten as far as the utility rates based on 10,000 gallons, which is not a basic amount. Tulsa is the largest at \$76; Edmond is \$57; Enid is \$56, and it gives an indication of the charges around the state.

Mayor Powell asked if the current 3.13 mil levy should be added to the numbers shown for comparison and Livingston said yes.

Briefing on proposed capital improvements plan was given by Gary Jackson, Assistant City Manager.

Jackson said a staff committee composed of the Finance Director, Public Works Director, Parks Director, Planning Director, and himself, had met for the last two months going over what they considered to be the major needs of the City of Lawton. The needs were listed and 21 projects were listed and two programs, which are not actually CIP projects. He said the information is shown as a suggestion and the projects are shown according to recommended priority.

Projects were as follows:

"2000 Capital Improvement Program

1. Landfill 5,000,000
2. Water Treatment
 - a. compliance requirements 15,000,000
 - b. capacity upgrade 20,000,000
3. Water Distribution 3,000,000
4. Water Pump Station No. 1 500,000
5. Eastside Park (Phase I) 1,500,000

Subtotal funded by sales tax \$45,000,000
(1.25% for five years)

6. Fire Station Relocation 1,300,000
7. Water Distribution 3,000,000
8. (Greer) 34th St./Drainage 3,500,000
9. Major Arterials (matching amount):
 - a. NW 38th (\$1 to \$1.6 mill.)
Cache Rd. to Rogers Ln. 1,600,000
 - b. Flower Md. (\$1.8 to 2.8 mill.) 2,800,000
Gore to Rogers Ln.

Subtotal funded by Ad Valorem: \$12,200,000
(20 year mill levy)

Subtotal: All funded Projects \$57,200,000"

Jackson said the water plant is very important and a decision is needed in a timely manner; however, we are approaching the life of the existing landfill cell quicker. Two to three years of life are left in cell number one, therefore, we need to move forward on the design and construction of cells two and three. Industrial contributions to the landfill may cause this to happen quicker, but it could be from two to four years, and estimated construction for the landfill is \$4.5 million for Subtitle D standards, as well as a maintenance building for \$400,000, and a master plan for \$200,000. The master plan would include all of the property owned by the City, how it would be used and the timing of its usage over the life of the facility, and not just the currently permitted area. Shanklin asked if \$200,000 was needed for a master plan. Ihler said that was their best estimate.

Purcell said about a year ago they were told the landfill had a remaining life of approximately eight to ten years. He asked what happened to make it two to three years now. Ihler said the permitted landfill site is eight to ten years, but that includes cells two and three, which have not been constructed or lined, etc. Purcell asked if the FAA would be involved as it would with a new landfill and Ihler said no. Beller asked for a copy of the information on the landfill master plan. Ihler said it would include the aerals that need to be taken and information about moving it to the south and getting a DEQ permit for future space.

Jackson said the water plant costs are broken out into upgrade and compliance requirements. He said in the two-page summary, a total of \$10 million is included for water distribution needs and it is broken into various funded and unfunded programs. Jackson said nothing is funded but the scenario projects everything shown to be funded through sales tax and ad valorem tax, and the other sheets include needs for which a funding source is not identified. Mayor Powell asked if water distribution was for repair and maintenance and Jackson said that is correct, repair and replacement of existing water lines throughout the distribution system. Ihler said it also includes the lines shown in a report which will be provided concerning fire hydrants. Shanklin said the people should understand that these costs are a very small part of the overall need with regard to replacement of water lines.

Jackson said the Pump Station No. 1 project is in the industrial area, and when Republic comes on line, that pump station will be at 92% capacity, therefore, staff feels the pumps should be changed out and upgraded. Williams asked if funds for that pump station upgrade could be secured through a grant. Mayor Powell said a grant is being sought for that purpose but that they could not count on that grant funding; the City has made application through ASCOG. Baker said the application would be made through ASCOG to EDI and it can be justified due to the importance of that pump station to the industries in the west part of town. Baker said we do not know if the funds will be received and this is a priority item; if an EDI grant is received, and funds remain, Council can reprogram them. Mayor Powell said other grants had been applied for also.

Jackson said the Eastside Park, Phase I, is also included as a need; this would not be fully developed during Phase I and would primarily include five, lighted youth baseball/softball fields, restrooms, parking lot, road and sprinkler system, for \$1.5 million and the land has already been acquired.

Shanklin asked how much of the cost is for dirt work and how the \$1.5 million figure was determined. Gary Salva, Parks & Recreation Director, said it was based on other comparisons with similar facilities. Shanklin said someone should know how much dirt work is involved. Purcell said the fields were to replace those behind Shoemaker Center, thinking that a school would be built in that location. Shanklin said the fields at 17th and G may not be available much longer and Purcell said that would make the problem worse. Shanklin said he would hate to see the City spend \$1 million on dirt work.

Salva presented a conceptual drawing of the Eastside Park prepared by Oklahoma University students. He said the area can definitely accommodate five fields and a parking lot, and noted the project by the University was provided to the City free of charge. Salva stated the area would require landscaping and that location of certain facilities shown by the students should be changed.

Jackson said the projects discussed so far could be funded through the 1.25% sales tax for five years, if so desired and approved.

Jackson said the next set of projects could be funded through a \$12.2 million ad valorem levy. He presented an aerial photograph of Fire Station #5, pointing out that it is located at an intersection causing problems for the trucks to enter and exit the station and backing up traffic. The building itself has shifted and has structural problems. \$850,000 is shown for construction and \$1.3 million to acquire the land as an exact location may be on already developed property, although the exact location is not shown. Mayor Powell stated the property at 53rd and Gore may have a pretty good market value that could result in some income if it is no longer needed.

Jackson said the next project shows another \$300,000 in water line improvements, followed by the 34th Street Reconstruction and Drainage Project for \$3.5 million. Shanklin said this was included in a prior CIP at a much smaller cost as the scope of the project was not realized, but the improvement has been needed for a long time. Jackson said this estimate combines both the street and drainage work that is needed.

Jackson said four arterials are included, two in the portion shown as ad valorem funding, and two in the unfunded portion. He said that is not to say that any of the projects are not important. Jackson said the numbers shown are matching amounts for projects which ODOT may fund if the City can provide the matching amounts. He said it may take eight to ten years to do the projects. Flowermound does not include the one mile that Council has already applied for grant funding to construct.

Purcell said they started out talking about five miles total; three miles from Lee to Rogers Lane on Flowermound and two miles to the highway, and it was \$2 million per mile or \$10 million for the five miles, and the City had to match 20%. He said he understood it was a \$2 million local match for the five miles, but now we will do four miles

and the match is \$5.6 million. Purcell asked what had changed. Ihler said for ODOT projects they use about \$750,000 to \$800,000 per lane per mile, and this is four lanes; they had been using \$3 million per mile for a four lane highway as an estimate. Four miles would be \$12 million, and the amount of drainage work required is a variable amount. Ihler said matching amounts required have been from low range 25% to high range 40% based on engineering, design, utility relocation, and right of way acquisition. Purcell said he had been told by State personnel that the matching amount was 20%. Ihler said the program may be such that the local percentage of cost for construction may be 20%, but in addition to that, there are the other items.

Jackson said Items 10 through 19 are not shown with a funding source.

Purcell asked what \$12.2 million would equate to in mils for ad valorem. Jackson said it would be 4.8 mils. Mayor Powell said that would be 7.93 mils total. Jackson said it would come out to \$54 a year for a \$100,000 house. Baker said the reason we listed \$12 million in projects under ad valorem was so it would not go over five mils because the cost to the property owner appeared to be reasonable.

Shanklin asked if 50% of the vote was required to pass ad valorem for the City or if it was 60% for the School or the City. Vincent said he thought it was also 60% for the City and that he would check on it and provide a report.

Baker said staff had not identified funding for the additional items on the list and there are probably \$250 million in projects that could have been brought to the Council, but it would have made the process more complicated. Items 20 and 21 are not capital improvement projects but they are items which Council members had mentioned to him over the last several months as needs of the community; one is public transportation. Baker said the last official action of the Council on public transportation was to look at that as a separate issue on the ballot when the CIP was voted on and that he could check further on that. Baker said the other item that had been mentioned was that we may want to try to do something for economic development. He said these are noted if Council desires to do anything with them.

Mayor Powell said he would call on Vincent for a briefing on statutory deadlines.

Vincent said the Election Board has established three election dates for the remainder of 1999. The first possible election date we can meet for this type of election, and other kinds of elections would have different dates, but the first possible election date for this type of election is October 12. The deadline to have all of the items to the Election Board is August 12. The next date is November 9, with a deadline to the Election Board of September 9, and the last date this year was December 14, with a deadline of October 14.

Shanklin said if we are going to go out for ad valorem taxes, we should go after it with teamwork with the School Board. He said that is the School Board's historical funding and they have not passed one in probably twenty or twenty-five years, and the City has not tried to pass one in thirty years or more. Shanklin said if the School Board is going to come with a program, and we place them together, there would be a better chance than each one going by themselves and we could be a little bit more ambitious than five mils on the City's part because we are at 70 mils and that matches any place in southeast Oklahoma as far as millage rates. He said we want to compare ourselves to other progressive cities and you will see that their millage is almost twice that of Lawton; Edmond is 128 mils. Shanklin said a \$100,000 house in Lufkin, Texas, is \$2,200 ad valorem taxes and the various taxes they collect. Shanklin said he felt strongly that the City should look at putting a package together with the School Board to submit on the ad valorem and sell this together and he asked for comment from Council.

Purcell asked if Shanklin was suggesting the City get together with the School Board and figure out how much in mils is needed for what the City needs to do and how much the School Board needs for what it needs to do. Shanklin said yes, and put them together on the same ballot. Purcell said he agreed it would be good to get together with the School Board and work this out but that he did not want to have an election where on the same day the people were voting for the City and the School Board, and that it would not do either group any good. Shanklin said they would both fail if they were not done together. Purcell said he thought they would both fail if they were put together because you have two different groups and two different sets of things. Purcell said he agreed the City should get with the School Board and figure out how much each one wants. Shanklin said if you have two different groups, and both are pushing for passage, it would be an advantage over having just one group. Purcell said he thought it would be an advantage to get with the School Board and determine how much each entity needed but that he did not support putting them on the same election day, even if that is possible.

Mayor Powell said he hoped they could think these things out a little bit and not arrive at a conclusion this evening, and that the comments are appreciated. He said he would agree 100% and that he had talked to Mr. Beauchamp and we could work jointly with them in some manner because there is a great need for the schools, as there is a great need for the City, so he hoped that some kind of decision would not be reached but to wait and think it out a little bit and come back at a future meeting.

Williams said he knew the number one priority would be to ask the citizens to adopt the Year 2000 five-year capital improvement 1-1/4 cent sales tax. He said he doubted that an ad valorem issue would pass, even though there are

such tremendous needs, and that the only other alternative after that is the utility bill. Williams said he felt the utility bill would have to be impacted to allow the City to move forward. Shanklin said the utility bill did not have to be impacted and Williams said the revenue is needed for the projects. Shanklin said they could sell to the taxpayer what the problems are, both on the School Board side and on the City side. Williams said he felt the taxpayers knew what the problems were and Shanklin disagreed. Mayor Powell said if we put together a good program, and the schools are included, and we are able to communicate with our public and educate our public as to what the needs are out there, he believed firmly that the ad valorem would pass. Mayor Powell said he knew the School District the last time came within about 2-1/2 percentage points of passing that super majority, and less than that on the bus issue, and the more people they talked to, the closer they got to passing the issue, and that he believed strongly that we could pass this. Shanklin said you just need another push and that would be the City of Lawton on that program and Mayor Powell agreed.

Mayor Powell asked if Council had enough information to study for a little while. Warren asked when the next meeting would be and Mayor Powell said he would get with them and see what the most congenial date would be, and they could take some time and look at the things that had been brought to them. Mayor Powell said he appreciated the work and study done by the staff.

Beller asked about time constraints as far as elections and if priorities should be addressed. Mayor Powell said staff brought the study forward and it is up to Council to prioritize it and see what they wanted, and that he felt October would be too early, and that Council would have to meet and establish the priorities and then after that, they would have to have not a sales job, but an education job and a communication job with the entire Lawton-Fort Sill community, and that does not give much time if you look at an October date, and less time for the school people who are trying to get organized for the school year, and that December would be too late and people are spending money for Christmas at that time, so he would like for Council to think about a November election date. Mayor Powell asked if that had to be decided tonight. Shanklin said no, but he thought it would be done in November.

Shanklin said he thought the Mayor needed to see to it that a group of Council people would meet with the School Board, and that the Mayor had talked with Barry Beauchamp but that he had not talked to his board. Mayor Powell said he asked one question and one question only and that Beauchamp could not speak on behalf of the board at that time. Shanklin said he brought it up so it could be put out before the public right now and try to promote a program, and that each could go their separate way and die or survive, but teamwork would be an advantage. Mayor Powell said he would do as Shanklin had suggested regarding meeting with the School Board.

COMMENTS

Mayor Powell encouraged attendance at the Limousine Cattle Show being held at the Great Plains Coliseum and expressed appreciation for the group holding this event in Lawton.

Mayor Powell said he met briefly this morning with the President of ASA Airlines at the Lawton Airport. He said Dorice Shanklin and Mr. Joiner were also there getting ready for a meeting, but the President was only at the Airport for an hour. Mayor Powell said he heard about it at 9 p.m. last night so he made sure he was out there and it was fantastic.

Mayor Powell said the official announcement was made today, and practically all of the dignitaries were present from Southwest Oklahoma and the Governor's office at Flowermound and Gore, for the announcement of the VA Center being a reality, and that he anticipated ground would be broken and construction started within a year.

Baker asked if Council would like any further information on the CIP prior to the next meeting. Shanklin said staff had done a good job.

There was no further business to consider and the meeting adjourned at 6:40 p.m.